



Virginia Mason Medical Center

POLICY: Charity Care

PURPOSE	To define the parameters around the provision of Charity Care at Virginia Mason Medical Center (VMMC).
SCOPE	This policy applies to VMMC hospital, clinic and technical services.
DEFINITIONS	<ul style="list-style-type: none">• Charity Care: Care provided in the hospital or clinic for no fee or a discounted fee, based on the patient's demonstrated inability to pay. With the exception of emergency and urgent care, this care should be planned for and approved before the delivery of care. VMMC reserves the right to limit Charity Care to hospital services in accordance with state and federal law.• Confidential Financial Statement: A confidential disclosure of patient financial status.• Medically Indigent. Persons who are generally not eligible for free or discounted care under this Charity Care policy but who VMMC may determine to have catastrophic costs or conditions which may cause extraordinary financial hardship to the patient or the patient's family.• Medically Necessary Care: Services or supplies that are determined by VMMC to be:<ul style="list-style-type: none">Consistent with the illness, injury or condition of the patient;The most appropriate supply or level of service which can safely be provided;There is no other equally effective, more conservative or substantially less costly course of treatment available or suitable to the person requesting the services;In accordance with generally accepted medical or surgical practice guidelines; andNot primarily cosmetic, purely elective or primarily for the convenience of the patient.• Should/May: Indicates that staff <u>may use his/her own judgment</u> regarding compliance with the actions described or defined.• Staff, Staff Member: A person employed by Virginia Mason Medical Center.• Will: Indicates that staff <u>must comply</u> with the action(s) described or defined.

POLICY

1. A notice advising patients that VMMC provides Charity Care shall be posted in check-in areas of the VMMC hospital and clinics, including the Front Desk areas and the Emergency Department.
2. Written information about VMMC's Charity Care policy shall be made available to patients at admitting or check-in and any time upon request.
3. Patient Account Specialists will determine a patient's eligibility for financial assistance based on information provided by the patient in the form of a Confidential Financial Statement (CFS) and income verification. All information regarding a patient's Charity Care application will be kept confidential. In the event that the patient is not able to provide certain documentation requested on the CFS, VMMC may rely upon a written and signed statement from the patient specifying the necessary information to make a final determination of eligibility for Charity Care.
4. Charity Care eligibility excludes persons coming to Washington State solely seeking medical services. To be eligible for Charity Care, patients must reside in Washington. For purposes of this policy, patients are considered residents of Washington if, prior to the beginning of their course of care, their primary residence is located in the State of Washington. Exceptions to the Washington State residency requirement in this Charity Care policy are:
 - (a) All patients who have an emergency medical condition, consistent with applicable federal and state laws and regulations;
 - (b) Refugees, asylees, and those seeking asylum who possess and can present United States Citizenship and Immigration Services (USCIS) documentation.
5. A patient's Charity Care determination will be verified for services performed subsequent to the patient's original determination of eligibility.
6. Patients must first exhaust all other funding sources for which they may be eligible before they will be eligible for Charity Care, including, without limitation, the following:
 - Group or individual medical plans
 - Medicare
 - Worker's compensation plans
 - Medicaid program (patient should have proof of denial)
 - Other state, federal or military programs
 - Third party liability (i.e., auto accidents, personal injury)
 - Any other persons or entities who have legal responsibility to pay for the medical service

VMMC reserves the right to require confirmation that a patient is ineligible for alternative funding sources, including, without limitation, written denials (or oral denials followed by documentation) from applicable funding sources.
7. Eligibility determination for Charity Care shall be applied regardless of the source of referral, and without discrimination as to race, color, creed, national origin, religion, sex, sexual orientation, disability, age, source of income, or any other class protected by federal or Washington state law.
8. Only Medically Necessary Care will be eligible for Charity Care

determination. Charity Care eligibility excludes treatments provided under experimental and/or investigational protocols and most outpatient pharmacy, equipment and supplies. Any questions regarding the Medical Necessity of care will be given to the Hospital Medical Director for determination.

9. In accordance with WAC 246-453-040, patients from the state of Washington may be eligible for Charity Care according to a sliding fee scale to discount charges for patients with gross family incomes at or below three hundred percent (300%) of the federal poverty guidelines adjusted for family size. VMMC reserves the right to consider assets as part of the final determination for Charity Care if family income exceeds 100% of the federal poverty level. The sliding scale discount is as follows:

(1) Below the federal poverty level	Medicaid and/or 100% discount
(2) 100% - 200% of poverty	100% Discount
(3) 201% - 250% of poverty	50% Discount (estimated)
(4) 251% - 300% of poverty	30% Discount (estimated)

VMMC reserves the right to periodically alter the actual discounts for patients earning between 201% and 300% of federal poverty level to meet Washington State Hospital Association guidelines.¹

10. Charity Care discounts that are less than 100% will be taken after any uninsured discounts are applied. For example, if VMMC policy allows for a 20% uninsured discount (see Discounts for Uninsured Patients Policy), then a patient who is between 201% and 250% of poverty with \$100 in medical charges would pay:

\$100 charges, then apply

20% uninsured discount from \$100=\$80

50% charity discount from \$80=\$40 patient responsibility

11. Additional full or partial Charity Care may be provided to patients with gross family incomes from 201% to 300% of the federal poverty level when circumstances as determined by VMMC indicate that full payment may cause financial hardship so as to significantly harm the patient or patient's family. Patient Financial Services management will be the approver for such Charity Care determinations.
- 12.. VMMC will make final eligibility determination and notify the patient within fourteen days of receipt of all required financial information. VMMC shall include information on appeal procedures for those denied Charity Care sponsorship.
13. Designations of Charity Care, while generally determined at time of patient appointment or prior to admission, may occur at anytime upon learning of facts that would indicate a patient's inability to pay. Should care be designated as qualifying as Charity Care under this policy after payment has been made by the patient, any payments in excess of the amount determined to be appropriate under this policy shall be refunded to the patient within 30 days of Charity Care determination.
14. The patient/guarantor may appeal a negative determination of eligibility

¹ Patients between 201% and 250% will be required to pay no more than the estimated cost of their care, which is expected to be approximately a 50% discount. Patients between 251% and 300% will be required to pay no more than 130% of the estimated cost of their care, which is expected to be approximately a 30% discount. The estimated cost of care will be based on VMMC's charges multiplied by VMMC's average cost-to-charge ratio as reported to the Washington Department of Health in the prior year's Year End Report.

within 30 days of the determination by correcting any deficiencies in documentation or requesting review of the denial by VMMC's Vice President of Finance. Billing and collection efforts will be suspended during the appeal process. If the determination affirms the previous denial of Charity Care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

15. If care was given prior to Charity Care determination, Patient Financial Services will follow the same process as described above to determine Charity Care eligibility.

16. Additional full or partial discounts may be provided to patients who are not otherwise eligible for Charity Care, i.e., with gross family incomes above three hundred percent (300%) of the federal poverty guidelines adjusted for family size. Such discounts may be provided to patients with catastrophic costs or conditions when circumstances as determined by VMMC indicate that full payment may cause extraordinary financial hardship to the patient or the patient's family. VMMC shall determine, on a case by case basis, whether a patient qualifies as "Medically Indigent" pursuant to this policy and shall, through Patient Financial Services, determine the amount of the discount, if any. Determinations shall be made expeditiously after submission of financial information by the patient, but shall not be subject to any appeal rights.

RELATED POLICIES, PROCEDURES, STANDARD PROCESSES, STANDARD WORK OR REFERENCES	Discounts for Uninsured Patients Policy
AUTHOR	Jo Mackay, Manager Patient Financial Services
IMPLEMENTATION PLAN	E-mail memo to Executive Leadership All Patient Financial Services Supervisors and above Patient Financial Services Staff Front Desk Staff Admitting Staff Outpatient Registration Staff VNET! Posting on Organizational Policies Website
SPONSORING AD OR VP	Steve Schaefer

APPROVING BODY and POLICY APPROVAL DATE:

Approved by:	Date:
Senior Council	11-04-08
VMMC Board of Directors	11-18-08
Washington State Department of Health	

NEXT REVIEW DATE: December, 2013